**United States Government Accountability Office** 

GAO

Testimony

Before the Subcommittee on Tactical Air and Land Forces, Committee on Armed Services, House of Representatives

For Release on Delivery Expected at 3:15 p.m. EST Tuesday, March 1, 2011

### WARFIGHTER SUPPORT

## DOD Should Have a More Comprehensive Approach for Addressing Urgent Warfighter Needs

Statement of William M. Solis, Director Defense Capabilities and Management



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1. REPORT DATE MAR 2011		2. REPORT TYPE		3. DATES COVE 00-00-2011	ERED 1 to 00-00-2011	
4. TITLE AND SUBTITLE				5a. CONTRACT	NUMBER	
Warfighter Suppor	-	hensive	5b. GRANT NUMBER			
Approach for Addressing Urgent Warfighter Needs  6. AUTHOR(S)				5c. PROGRAM ELEMENT NUMBER		
				5d. PROJECT NUMBER		
				5e. TASK NUMBER		
			5f. WORK UNIT NUMBER			
	ZATION NAME(S) AND AE Accountability Offic PC,20548			8. PERFORMING REPORT NUMB	G ORGANIZATION ER	
9. SPONSORING/MONITO	AND ADDRESS(ES)		10. SPONSOR/MONITOR'S ACRONYM(S)			
		11. SPONSOR/MONITOR'S REPORT NUMBER(S)				
12. DISTRIBUTION/AVAIL Approved for publ	LABILITY STATEMENT ic release; distributi	ion unlimited				
13. SUPPLEMENTARY NO	OTES					
14. ABSTRACT						
15. SUBJECT TERMS						
16. SECURITY CLASSIFICATION OF:			17. LIMITATION OF ABSTRACT	18. NUMBER OF PAGES	19a. NAME OF RESPONSIBLE PERSON	
a. REPORT <b>unclassified</b>	b. ABSTRACT <b>unclassified</b>	c. THIS PAGE unclassified	Same as Report (SAR)	15		

**Report Documentation Page** 

Form Approved OMB No. 0704-0188

#### Mr. Chairman and Members of the Subcommittee:

I am pleased to be here today to discuss the challenges that the Department of Defense (DOD) faces in fulfilling urgent operational needs identified by our warfighters. Over the course of the wars in Iraq and Afghanistan, U.S. forces have encountered changing adversarial tactics, techniques, and procedures, which challenged DOD to quickly develop and provide new equipment and new capabilities to address evolving threats. Further, U.S. troops faced shortages of critical items, including body armor, tires, and batteries. DOD's goal is to provide solutions as quickly as possible to meet urgent warfighter needs to prevent mission failure or loss of life. To meet its urgent needs, DOD had to look beyond traditional acquisition procedures, expand the use of existing processes, and develop new processes and entities designed to be as responsive as possible to urgent warfighter requests. In addition to requests for equipment from DOD's existing stocks, warfighters have requested new capabilities, such as: technology to counter improvised explosive devices (IED); technology related to intelligence, surveillance, and reconnaissance (ISR) to provide increased situational awareness; and equipment related to command and control to enhance operations on the battlefield. In meeting urgent needs, it is important for DOD to efficiently use the department's financial resources. DOD has spent billions of dollars over the past several years to address urgent warfighter needs. Our past work on weapons acquisition has shown that the department has often pursued more programs than its resources can support. Additionally, our past work also has shown that DOD has had difficulty translating needs into programs, which often has led to cost growth and delayed delivery of needed capabilities to the warfighter.

Today, we are publicly releasing a report that addresses (1) what entities exist within DOD for responding to urgent operational needs, and the extent to which there is fragmentation, overlap, or duplication; (2) the extent to which DOD has a comprehensive approach for managing and overseeing its urgent needs activities; and (3) the extent to which DOD has evaluated the potential for consolidations of its various activities and

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<sup>&</sup>lt;sup>1</sup>GAO, Defense Acquisition: DOD's Requirements Determination Process Has Not Been Effective in Prioritizing Joint Capabilities, GAO-08-1060 (Washington, D.C.: Sept. 25, 2008).

entities.<sup>2</sup> My statement will first briefly discuss challenges we reported in April 2010<sup>3</sup> that affected the overall responsiveness of DOD's urgent needs processes and then highlight the key findings and recommendations of today's report. Today's report contributed to our findings in another report being released today that addresses opportunities to reduce potential duplication in government programs. 4 In conducting our work, we analyzed DOD policies, guidance, studies, and other documents, interviewed DOD and military service officials, and executed a 46-question data-collection instrument to collect information from numerous DOD and military service entities having a role in the fulfillment of urgent needs. We conducted our work for the related report from February 2010 to March 2011 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

#### Background

As DOD's urgent needs processes have evolved, there have been several reviews of DOD's abilities to rapidly respond to and field needed capabilities. For example, according to senior DOD officials, the department has conducted a study to determine lessons learned from several independent urgent needs processes that might be integrated into the department's main acquisition process. However, two studies by the Defense Science Board in 2009 found that DOD had done little to adopt urgent needs as a critical, ongoing DOD institutional capability essential to addressing future threats. <sup>5</sup> Most recently, the Ike Skelton National Defense

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<sup>&</sup>lt;sup>2</sup>GAO, Warfighter Support: DOD's Urgent Needs Processes Need a More Comprehensive Approach and Evaluation for Potential Consolidation, GAO-11-273 (Washington, D.C.: Mar. 1, 2011).

<sup>&</sup>lt;sup>3</sup> GAO, Warfighter Support: Improvements to DOD's Urgent Needs Processes Would Enhance Oversight and Expedite Efforts to Meet Critical Warfighter Needs, GAO-10-460 (Washington, D.C.: Apr. 30, 2010).

<sup>&</sup>lt;sup>4</sup>GAO, Opportunities to Reduce Potential Duplication in Government Programs, Save Tax Dollars, and Enhance Revenue, GAO-11-318SP (Washington, D.C.: Mar. 1, 2011).

<sup>&</sup>lt;sup>5</sup>Report of the Defense Science Board Task Force on the Fulfillment of Urgent Operational Needs (Washington, D.C.: Office of the Under Secretary of Defense for Acquisition, Technology and Logistics, July 2009); Report of the Defense Science Board 2008 Summer Study on Capability Surprise, vol. I: Main Report (Washington, D.C.: Office of the Under Secretary of Defense for Acquisition, Technology and Logistics, September 2009).

Authorization Act for Fiscal Year 2011 requires DOD to review its processes for the fielding capabilities in response to urgent operational needs and consider such improvements as providing a streamlined and expedited approach, clearly defining the roles and responsibilities for carrying out all phases of the process, and establishing a formal feedback mechanism.<sup>6</sup>

We reported in April 2010 on several challenges that affected DOD's responsiveness to urgent needs. Through our field work in Iraq and analysis of 23 case studies, we found that with the exception of one system all the solutions to our case studies were fielded within 2 years of being endorsed by a theater command—which was within DOD's informally established timeline for satisfying joint urgent operational needs. However, we found that challenges with training, funding, and technical maturity and complexity hindered DOD's ability to rapidly respond to urgent warfighter needs. The following summarizes these key findings and our recommendations. Additional information is provided in our April 2010 report. §

- Training—We found challenges in training personnel that process urgent needs requests. For example, we found that while the Army required selected officers to attend training on how to address requirements and identify resources for Army forces, officers at the brigade level responsible for drafting and submitting Army and joint urgent needs requests—and those at the division level responsible for reviewing the requests prior to submission for headquarters approval—were not likely to receive such training. As a result, once in theater, Army officers often faced difficulties drafting, submitting, and reviewing the volume of urgent needs requests, which, according to Army officials, could be over 200 per month. To address this challenge, we recommended that the Army update its training regimen for officers who initiate and review urgent needs requests. DOD partially concurred, stating that these training issues are applicable across the department and that it would develop additional policy.
- **Funding**—We found that funding was not always available when needed to acquire and field solutions to joint urgent needs. This result occurred in part because the Office of the Secretary of Defense had not given any one

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<sup>&</sup>lt;sup>6</sup>Pub. L. No. 111-383, § 804 (2011).

<sup>&</sup>lt;sup>7</sup>GAO-10-460.

<sup>&</sup>lt;sup>8</sup>GAO-10-460

organization primary responsibility for determining when to implement the department's statutory rapid acquisition authority or to execute timely funding decisions. We recommended that the Secretary of Defense designate an entity with primary responsibility for recommending use of rapid acquisition authority. The department partially concurred, and stated it would develop additional DOD policy for using rapid acquisition authority. In addition, we found that the Office of the Secretary of Defense had the authority, within certain dollar thresholds, to reprogram funds for purposes other than those specified by Congress at the time of the appropriation. However, in the absence of a high-level authority with primary responsibility for executing such reprogramming or transfer decisions, DOD faced challenges in consistently securing timely cooperation from the services or other components. We recommended DOD establish an executive council to make timely funding decisions on urgent need requests. DOD partially concurred, stating it would develop additional DOD policy and rely on existing councils to address our recommendation.

• Technical maturity and complexity—We found that attempts to meet urgent needs with immature technologies or with solutions that are technologically complex could lead to longer time frames for fielding solutions to urgent needs. Also, we found that DOD guidance was unclear about who is responsible for determining whether technologically complex solutions fall within the scope of DOD's urgent needs processes. We recommended that DOD issue guidance to clearly define roles and responsibilities for implementation, monitoring, and evaluation of all phases of the urgent needs process—including applying technological-maturity criteria. DOD concurred, stating that it would develop new policy and update existing policy.

We also reported in April 2010 that DOD had not established an effective management framework for its urgent needs processes. Specifically, we reported that DOD's guidance for its urgent needs processes (1) was dispersed and outdated; (2) did not clearly define roles and responsibilities for implementing, monitoring, and evaluating all phases of those processes; and (3) did not incorporate all of the expedited acquisition authorities available to acquire joint urgent needs solutions. Further, we found that data systems for the urgent needs processes did not have comprehensive, reliable data for tracking overall results and did not have standards for collecting and managing data. In addition, we reported that the joint process did not include a formal method for feedback to inform

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<sup>&</sup>lt;sup>9</sup>GAO-10-460

joint leadership on the performance of solutions. Finally, we noted that in the absence of a management framework for its urgent needs processes, DOD did not have tools to fully assess how well its processes work, manage their performance, ensure efficient use of resources, and make decisions regarding the long-term sustainment of fielded capabilities. We made several recommendations to DOD to address these findings and DOD generally concurred with our recommendations. In June 2010, the Senate Armed Services Committee urged DOD to address these shortcomings that we identified "as quickly as possible." <sup>10</sup>

DOD's Urgent Needs Processes Need a More Comprehensive Approach and Evaluation for Potential Consolidation In our report being released today, we identified cases of fragmentation, overlap, and potential duplication of efforts of DOD's urgent needs processes and entities. However, the department is hindered in its ability to identify key improvements to its urgent needs processes because it does not have a comprehensive approach to manage and oversee the breadth of its efforts. Further, DOD has not comprehensively evaluated opportunities for consolidation of urgent needs entities and processes across the department. In this new report, we made several recommendations to DOD for improving its management and oversight of urgent needs, and DOD fully concurred with those recommendations. The following summarizes our key findings and recommendations, which are provided in more detail in the report we publicly release today. <sup>11</sup>

Fulfillment of Urgent Needs Involves a Number of Entities and Processes, Resulting in Fragmentation, Overlap, and Potential Duplication of Efforts

Over the past two decades, the department has established many entities that develop, equip, and field solutions and critical capabilities in response to the large number of urgent needs requests submitted by the combatant commands and military services. Many of these entities were created, in part, because the department had not anticipated the accelerated pace of change in enemy tactics and techniques that ultimately heightened the need for a rapid response to the large number of urgent needs requests submitted by the combatant commands and military services. While many entities started as ad hoc organizations, several have been permanently established. On the basis of DOD's and our analysis, we identified at least 31 entities that play a significant role in the various urgent needs processes. Table 1 below shows the 31 entities we identified.

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<sup>&</sup>lt;sup>10</sup>S. Rep. No. 111-201, at 160 (2010).

<sup>&</sup>lt;sup>11</sup>GAO-11-273.

Table 1: DOD Entities Involved in the Fulfillment of Urgent Needs

Office of the Secretary of Defense or Joint Staff	Army	Navy	Marine Corps	Air Force	Special Operations Command
Joint Staff, J8 Rapid Fielding Directorate Intelligence, Surveillance, Reconnaissance Task Force Mine Resistant Ambush Protected (vehicle) Task Force Joint Improvised Explosive Device Defeat Organization Rapid Reaction Technology Office Joint Capability Technology Demonstrations Joint Rapid Acquisition Cell	Deputy Chief of Staff, G-3/5/7, Current and Future Warfighting Capabilities Division Biometrics Identity Management Agency Asymmetric Warfare Group Rapid Fielding Initiative Rapid Equipping Force Army Capabilities Integration Center, U.S. Army Training & Doctrine Command Project Manager (PM) or Program Executive Offices (PEO), as Night Vision / Reconnaissance, Surveillance, and Target Acquisition (including Base Expeditionary Targeting and Surveillance Sensors—Combined) or the Counter Rocket, Artillery, Mortar Program Directorate	Chief of Naval Operations N81D U.S. Fleet Forces Command U.S. Pacific Fleet Rapid Action Teams, led by a Chief of Naval Operations Sponsor Deputy Assistant Secretary of the Navy, Expeditionary Warfare Rapid Development and Deployment Office PM or PEO, <sup>a</sup> such as PEO Littoral and Mine Warfare	Deputy Commandant for Combat Development and Integration, Capabilities Development Directorate PM or PEO, <sup>a</sup> such as PM Light Armored Vehicles	Air Force Air Combat Command A8XM Air Force Air Mobility Command A5QX Requirements Policy & Process Division, Directorate of Operational Capability Requirements Office of the Assistant Secretary of the Air Force for Acquisition PM or PEO, <sup>a</sup> such as Aeronautical Systems Center	Special Operations Command J8 Special Operations Research, Development, and Acquisition Center

Source: GAO analysis of DOD data.

<sup>a</sup>Each military service has program offices responsible for specific programs or portfolios of similar programs that may include solutions to validated urgent need requirements. However, we have not identified the universe of PMs/PEOs that are or have been involved in the fulfillment of urgent needs.

We found that fragmentation and overlap exist among urgent needs entities and processes. For example, there are at least eight processes and related points of entry for the warfighter to submit a request for an urgently needed capability, including through the Joint Staff and each military service. Entities within these processes then validate the submitted urgent need request and thus allow it to proceed through their specific process. Moreover, our analysis showed that overlap exists among urgent needs entities in the roles they play as well as the capabilities for

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which they are responsible. For example, at the joint level we found six entities involved in facilitating urgent needs requests and five entities involved in providing sourcing support for urgent needs requests. <sup>12</sup> Additionally, several entities have focused on developing solutions for the same subject areas, such as counter-IED and ISR capabilities, potentially resulting in duplication of efforts. For example, both the Army and the Marine Corps had their own separate efforts to develop counter-IED mine rollers.

DOD Does Not Have Comprehensive Guidance and Full Visibility to Effectively Manage and Oversee Its Urgent Needs

DOD has taken some steps to improve its fulfillment of urgent needs. These steps include developing policy to guide joint urgent need efforts, establishing a Rapid Fielding Directorate to rapidly transition innovative concepts into critical capabilities, and working to establish a senior oversight council to help synchronize DOD's efforts. Despite these actions, the department does not have a comprehensive approach to manage and oversee the breadth of its activities to address capability gaps identified by warfighters in-theater. Federal internal control standards require detailed policies, procedures, and practices to help program managers achieve desired results through effective stewardship of public resources.<sup>13</sup> However, DOD does not have a comprehensive, DOD-wide policy that establishes a baseline and provides a common approach for how all joint and military service urgent needs are to be addressed—including key activities of the process such as validation, execution, or tracking. Additionally, we found that DOD has a fragmented approach in managing all of its urgent needs submissions and validated requirements. For example, the Joint Staff, the Joint Improvised Explosive Device Defeat Organization (JIEDDO), the military services, and the Special Operations

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<sup>&</sup>lt;sup>12</sup>Through our analysis, we identified several broad activities involved in the processing of urgent needs. Facilitation refers to the development and coordination of requirements, costs, potential solution, funding, and other factors related to the course of action to be taken for the fulfillment of an urgent need. Sourcing is the approval of the proposed course of action and assignment of a sponsor who will carry out that course of action.

<sup>&</sup>lt;sup>13</sup> GAO, Standards for Internal Control in the Federal Government, GAO/AIMD-00-21.3.1 (Washington, DC: November 1999).

Command have issued their own guidance, which varied, outlining activities involved in processing and meeting their specific urgent needs.<sup>14</sup>

DOD also lacks visibility over the full range of urgent needs efforts—from funding to measuring results. Specifically, we found that DOD does not have (1) visibility over the total costs of its urgent needs efforts, (2) a comprehensive tracking system, (3) a universal set of metrics, and (4) a senior-level focal point. The following summarizes these key findings.

- **DOD does not have visibility over total costs.** DOD cannot readily identify the cost of its departmentwide urgent needs efforts. Based on the information submitted to us in response to our data request, the total funding for the fulfillment of urgent needs is at least \$76.9 billion from fiscal year 2005 through fiscal year 2010. <sup>15</sup> Because DOD does not have visibility over all urgent needs efforts and costs, it is not fully able to identify the need for key process improvements and adjust program and budgetary priorities accordingly.
- DOD does not have a comprehensive tracking system. DOD cannot readily identify the totality of its urgent needs efforts as well as the cost of such efforts because it has limited visibility over all urgent needs submitted by warfighters—both from joint and service-specific sources. Specifically, DOD and the services have disparate ways of tracking urgent needs; some have formal databases to input information while others use more informal methods such as e-mailing to solicit feedback. For example, the Joint Chiefs of Staff and each of the military services utilize electronic databases to track capability solutions as they move through the urgent needs process. However, more than a third of the entities involved in the process did not collect or provide the necessary information for the joint or service-based systems to track those solutions. Moreover, there was

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<sup>&</sup>lt;sup>14</sup>Joint Staff: Chairman of the Joint Chiefs of Staff Instruction 3470.01 (July 15, 2005); Army: Army Regulation 71-9 (Dec. 28, 2009); Navy: Joint Memorandum from the Assistant Secretary of the Navy (Research Development and Acquisition) (July 19, 2007) and Secretary of the Navy Notice 5000 (Mar.12, 2009); Marine Corps: Marine Corps Order 3900.17 (Oct. 17, 2008); Air Force: Air Force Instruction 63-114 (June 12, 2008); Air Force Instruction 10-601 (July 12, 2010); JIEDDO: Joint Improvised Explosive Device Defeat Organization Instruction 5000.01 (Nov. 6, 2009); Special Operations Command: Special Operations Command Directive 71-4 (June 9, 2009) and Special Operations Command Directive 70-1 (Mar. 19, 2010).

<sup>&</sup>lt;sup>15</sup>Our estimate includes funding for processing of urgent needs as well as development of solutions and some acquisition costs. As our data request was not exhaustive, the numbers reported are a lower bound to the total amount spent on urgent needs rather than an upper bound. Additionally, our funding data have been converted to base year 2010 dollars.

confusion over whose role it was to collect and input data into these tracking systems.

- **DOD does not have a universal set of metrics.** Our analysis found that the feedback mechanisms across DOD, the Joint Staff, the military services, JIEDDO, and the Special Operations Command are varied and fragmented. In April 2010, we recommended that DOD develop an established, formal feedback mechanism or channel for the military services to provide feedback to the Joint Chiefs of Staff and Joint Rapid Acquisition Cell on how well fielded solutions met urgent needs. The department concurred with the recommendation and stated that it would develop new DOD policy and that the Joint Chiefs of Staff would update the Chairman's instruction to establish requirements for oversight and management of the fulfillment of urgent needs. However, the majority of DOD urgent needs entities we surveyed for our March 2011 report said that they do not collect all the data needed to determine how well these solutions are performing. Additionally, in April 2010, we also recommended that DOD develop and implement standards for accurately tracking and documenting key process milestones such as funding, acquisition, fielding, and assessment, and for updating data-management systems to create activity reports to facilitate management review and external oversight of the process. DOD agreed with these recommendations and noted actions it planned to take to address them. However, our current analysis found that the department lacked a method or metric to track the status of a validated urgent requirement across the services and DOD components, such as whether a requirement currently in development could be applicable to another service.
- DOD does not have a senior-level focal point. DOD's lack of visibility over all urgent needs requests is due in part to the lack of a senior-level focal point (i.e., gatekeeper) that has the responsibility to manage, oversee, and have full visibility to track and monitor all emerging capability gaps being identified by warfighters in-theater. At present, the department has not established a senior-level focal point to (1) lead the department's efforts to fulfill validated urgent needs requirements, (2) develop and implement DOD-wide policy on the processing of urgent needs or rapid acquisition, or (3) maintain full visibility over its urgent needs efforts and the costs of those efforts. We have previously testified and reported on the benefits of establishing a single point of focus at a sufficiently senior level to coordinate and integrate various DOD efforts to

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address concerns, such as with counterterrorism and the transformation of military capabilities.  $^{16}$ 

#### Opportunities Exist for Consolidating Urgent Needs Processes and Entities

In addition to not having a comprehensive approach for managing and overseeing its urgent needs efforts, DOD has not conducted a comprehensive evaluation of its urgent needs processes and entities to identify opportunities for consolidation. Given the overlap and potential for duplication we identified, coupled with similar concerns raised by other studies, there may be opportunities for DOD to further improve its urgent needs processes through consolidation. GAO's Business Process Reengineering Assessment Guide establishes that such a comprehensive analysis of alternative processes should be performed to include a performance-based, risk-adjusted analysis of benefits and costs for each alternative. In our current report, we identified and analyzed several options, aimed at potential consolidations and increased efficiencies, in an effort to provide ideas for the department to consider in streamlining its urgent needs entities and processes. These options include the following:

- Consolidate into one Office of the Secretary of Defense-level entity all the
  urgent needs processes of the services and DOD, while allowing the
  services' program offices to maintain responsibility for developing
  solutions.
- Consolidate entities that have overlapping mission or capability portfolios related to urgent needs, such as entities involved in the development of solutions for biometrics.
- Establish a gatekeeper within each service to oversee all key activities to fulfill a validated urgent need requirement.
- Consolidate within each service any overlapping activities in the urgent needs process, such as the multiple entry and validation points that exist in the Army.

The options we identified were not meant to be exhaustive or mutually exclusive. DOD would need to perform its own analysis, carefully weighing the advantages and disadvantages of options it identifies to determine the optimal course of action. Additionally, it must be recognized

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<sup>&</sup>lt;sup>16</sup>GAO, Combating Terrorism: Comments on Counterterrorism Leadership and National Strategy, GAO-01-556T (Washington, D.C.: Mar. 27, 2001) and Military Transformation: Clear Leadership, Accountability, and Management Tools Are Needed to Enhance DOD's Efforts to Transform Military Capabilities, GAO-05-70 (Washington, D.C.: Dec. 17, 2004).

<sup>&</sup>lt;sup>17</sup>GAO, Business Process Reengineering Assessment Guide, ver. 3, GAO/AIMD-10.1.15 (Washington, D.C.: May 1997).

that many entities involved in the fulfillment of urgent needs have other roles as well. However, until DOD performs such an evaluation, it will remain unaware of opportunities for consolidation and increased efficiencies in the fulfillment of urgent needs.

#### GAO Recommends That DOD Establish Comprehensive Guidance and Evaluate Potential Options for Consolidation .

In the report we publicly release today, we make several recommendations to promote a more comprehensive approach to planning, management, and oversight of DOD's fulfillment of urgent needs. In summary, we are recommending that:

- DOD develop and promulgate DOD-wide guidance across all urgent needs processes that establishes baseline policy for the fulfillment of urgent needs, clearly defines common terms, roles, responsibilities, and authorities, designates a focal point to lead DOD's urgent needs efforts, and directs the DOD components to establish minimum urgent needs processes and requirements; and
- DOD's Chief Management Officer evaluate potential options for consolidation to reduce overlap, duplication, and fragmentation, and take appropriate action.

DOD concurred with all of our recommendations and stated that specific actions it will take to address these recommendations will be identified in a report on its urgent needs processes that is required by the Ike Skelton National Defense Authorization Act for Fiscal Year 2011 and due to Congress in January 2012. DOD also stated that the Deputy Chief Management Officer, supported by the military services' Chief Management Officers, will participate in this end-to-end review and provide oversight and assistance in utilizing process improvement techniques and tools.

#### **Concluding Remarks**

Over the past several years we have identified significant challenges affecting DOD's ability to rapidly respond to urgent needs of the warfighter and effectively manage and oversee the breadth of its urgent needs processes. It is noteworthy that DOD has recognized these challenges and continues to take steps towards improving its programs. However, until the department holistically examines the entirety of its various urgent needs processes and entities, including evaluating the need for consolidation, and establishes clear and comprehensive policy, it will

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<sup>&</sup>lt;sup>18</sup>Pub. L. No. 111-383, § 804 (2011).

not be in a position to ensure the warfighter, Congress, or the public that its processes are addressing the critical needs of U.S. forces in the most timely, efficient, and effective manner. Given the magnitude of the financial resources at stake, coupled with the need to field urgent need solutions as rapidly as possible to prevent loss of life or mission failure, it is imperative that DOD's senior leadership make it a top priority to reform its urgent needs process.

Mr. Chairman, this concludes my statement. I would be happy to answer any questions you or other members of the subcommittee may have at this time.

# Contacts and Acknowledgments

For further information regarding this testimony, please contact William Solis at (202) 512-8365 or solisw@gao.gov. In addition, contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this statement. Individuals who made key contributions to this testimony are Cary Russell, Assistant Director; Usman Ahmad, Laura Czohara, Lonnie McAllister, John Ortiz, Richard Powelson, Steve Pruitt, Ryan Stott, Elizabeth Wood, Delia Zee, and Karen Zuckerstein.

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